



**To:** HEC/DPA Award Recipients  
**From:** Community Development Department  
**Date:** March 28, 2008  
**Re:** HEC/DPA Policy Changes

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**FSP-08-01**

Based on feedback from HEC/DPA award recipients and a desire to make this program as successful as possible, IHCD will be making the following policy changes to the HEC/DPA program effective immediately.

- Under the Client Eligibility section of the RFP, the definition of first time homebuyer will now follow HUD's definition of first time homebuyer. Under this definition a first time homebuyer is, "An individual who has had no ownership in a principal place of residence during the 3-year period ending on the date of purchase (closing date) of the property."
- Under the Client Eligibility section of the RFP, the "targeting criteria" credit score requirement will increase to allow for a greater number of clients to be served. Currently, a client must have a credit score below 620 in order to be eligible. The new credit score requirement will allow for a client to have a credit score below 650 in order to be eligible.
- Under the Client Eligibility section of the RFP, the "targeting criteria" income level requirement will increase to allow for a greater number of clients to be served. Currently, a client must have an income at or below 50% AMI in order to be eligible. The new income level requirement will allow for a client to have an income level at or below 60% AMI in order to be eligible.
- Currently, under the HEC/DPA Activity Provisions section of the RFP, this award cannot be combined with IHCD's First Home or First Home/PLUS programs. The new provision will still prohibit the use of the HEC/DPA program in conjunction with the First Home/PLUS program. However, the use of the HEC/DPA program in conjunction with the First Home program will be allowed.

We hope these changes will open up the door for assisting a larger number of individuals and families. If you have any questions regarding this memo, please contact Mike Recker at 317-234-2305.